

The construction of thirty-two additional bogie vans for the carriage of chilled beef is in hand. These wagons are of a design embodying all modern developments for the satisfactory conveyance of this commodity. Tests made with this modern type of vehicle for the conveyance of chilled beef have shown that the temperature required can be maintained with little fluctuation over considerable periods of time, and the companies engaged in the trade have commented most favourably on the results obtained.

With the placing of the thirty-two new wagons in service the Department will have available seventy-five specially fitted wagons for the conveyance of chilled beef.

An extensive programme of rolling-stock construction was approved by the Government in the financial year under review, and the additional cars made available materially assisted in dealing with the Christmas and Easter traffic, while the pressure on freight rolling-stock was eased by the new stock which became available for the rush period of March and April last. But for delays in the supply of material for these wagons from Great Britain, many more trucks would now be available. It is anticipated, however, that the necessary material for all new wagons on order will be available at an early date.

SUBURBAN TRAVEL.

In order to remove the distinction in rail transport conditions as between the 8 o'clock worker and the 9 o'clock worker, a discrimination which has been maintained for many years despite frequent agitation for its removal, and in order to effect adjustments in other directions in connection with the charges for suburban travel, the introduction of a new suburban twelve-trip weekly ticket to supersede the workers' weekly tickets previously used in suburban areas has been approved. The effect of this change is that both the 8 o'clock worker and the 9 o'clock worker in suburban areas, as well as other regular travellers, are able to use the new twelve-trip tickets at any time of the day from Monday to Saturday of each week. The new type of ticket, in addition to providing for unrestricted rights with respect to the hours of travel, will also be a more suitable and generally more useful class of commutation ticket than any previously available.

As a further encouragement to the use of railway transport in suburban areas a new type of bearer ticket, at rates substantially below those for ordinary single or return suburban tickets, has been introduced. The new bearer ticket is transferable, and is available for six second-class single trips in either direction at any time up to the end of the month following the month of issue.

TIMBER AREAS.

In accordance with the Government's decision to reopen the Department's sawmill at Mamaku, milling operations were resumed on the 15th June, 1936, after a period of inactivity covering one year and ten months. After meeting the non-recurring costs associated with the reopening of the mill due to its period of inactivity, the "issue" rates to purchasing branches during the financial year ended 31st March, 1937, were approximately 14 per cent. cheaper than the outside sale rates prevailing in the North Island. This result was achieved after including all costs applying to private trading concerns, with the exception, of course, of land and income tax, but in any case the inclusion of the latter would not have materially affected the issue rates.

It is gratifying to me to be able to record such a splendid result, which is undoubtedly due to the efficiency with which the sawmilling operations have been carried on and to the wholehearted co-operation of all the workers employed.

Due to the increasing demand for native timbers for use in connection with the Department's rolling-stock building programme and in respect of the general maintenance of railway-station buildings, dwellings, &c., the output of timber from the Department's mill at Mamaku will soon be insufficient to cope with requirements.

The Railways Department owns the freehold of an area of approximately 1,500 acres of bush land situated thirty-six miles from Putaruru on the Putaruru-Taupo Main Highway containing approximately 45,000,000 superficial feet of rimu, matai, and totara timbers, and authority has been given for the erection of a mill on this block in readiness for an early commencement of cutting to supplement the supplies from Mamaku, which is nearing the end of its productive life.

MECHANICAL OFFICE APPLIANCES.

The extension of the use of mechanical methods in the compilation of statistical and accounting statements within the Department has been pursued during the course of the year.